UNITED NATIONS

A

General Assembly

Distr.
GENERAL

A/AC.96/896
4 May 1998

Original: ENGLISH

EXECUTIVE COMMITTEE OF THE
HIGH COMMISSIONER'S PROGRAMME

Forty-ninth session

REPORT OF THE TENTH MEETING OF THE STANDING COMMITTEE (2-3 February 1998)

I. INTRODUCTION

1. The meeting was opened by the Chairman of the Executive Committee, His Excellency, Ambassador Björn Skogmo (Norway). The Chairman welcomed non-governmental organization (NGO) delegations attending the Standing Committee for the first time as observers. The Chairman also informed the Committee of the need to reschedule the plenary session of the Executive Committee to 5 to 9 October 1998. Delegations agreed to this proposal.

II. ADOPTION OF THE AGENDA OF THE TENTH MEETING

2. The *Provisional Annotated Agenda* (EC/48/SC/CRP.2) was adopted without amendment.

III. DEPUTY HIGH COMMISSIONER'S STATEMENT

3. The Deputy High Commissioner then delivered an opening statement to the Standing Committee. Following this statement, the Chairman echoed the Deputy High Commissioner's concern over the recent abduction of the Head of UNHCR's Office in Vladikavkaz, North Ossetia.

IV. PROGRAMME AND FUNDING MATTERS

4. The Standing Committee had before it a document entitled, *Overall Programme and Funding Projections for 1997 and 1998* (EC/48/SC/CRP.4) and a related draft decision.

5. The agenda item was introduced by the Director of the Division of Operational Support. The focus of his presentation was the situation of General Programmes. He noted that the accounts for 1997 were being finalized. Provisional estimates indicated that expenditure under General Programmes would be in the order of $ 385 million, against an approved target

of $ 452.6 million; this level of expenditure reflected a serious shortfall in contributions, and consequent restrictions in the use of the Programme Reserve, the Emergency Fund and the Voluntary Repatriation Fund. It was expected that the carry-over into 1998 would perhaps be between two and five million dollars. For 1998, with such a small carry-over, there would be the need for increased contributions to reach the approved, but reduced, General Programmes target of $ 440 million. In the initial part of the year UNHCR would need to be very cautious as regards authorizing expenditure, until such time as the Office was confident that increased contributions would be forthcoming. In late 1997, UNHCR had therefore adopted a rather restrictive approach in relation to initial 1998 authorizations.

6. Managing the gap between the approved General Programmes target, and contributions, received or expected, was difficult, staff intensive and frustrating. General Programmes were UNHCR's core programmes. The Director then recalled some of the conclusions that had come out of the informal consultations on UNHCR's budget structure in 1995. He noted, in particular, that there was a clear, if unwritten understanding, that UNHCR would not propose, and the Executive Committee would not approve, a General Programmes target whose needs would not be fully funded. It was for this reason that UNHCR had proposed for 1998 a reduced General Programmes target of $ 440 million. While UNHCR would continue its efforts to increase still further its effectiveness, he underlined the need to ensure that UNHCR's core programmes were funded on a more stable and predictable basis.

7. The Head of the Funding and Donor Relations Service focused his comments on two areas: an overview of funding during 1997 and the outlook for 1998. He said that UNHCR's acute concerns about the adequate financing of the Office's core, statutory activities, the General Programmes, would dominate both areas.

8. Total contribution income in 1997 for all of UNHCR's activities was $ 805 million. The comparable total for 1996 was $ 970 million, although one had to keep in mind that UNHCR's global requirements also dropped, from $ 1.4 billion in 1996 to $ 1.2 billion in 1997.

9. Of total 1997 contributions, $ 320 million was given to General Programmes, a drop of $ 31 million from 1996. This reduction could be attributed to a decline in contribution levels from several major donors, combined with the effects of the strength of the United States dollar. As regards 1998, the Head of the Funding and Donor Relations Service recalled that the Executive Committee had approved the 1998 target of $ 440 million. With reduced levels of both contributions and other income, UNHCR risked not being able to adequately finance even this reduced target. This would have serious consequences for refugees and the work of the Office. To help redress the serious situation with General Programmes, the Head of the Funding and Donor Relations Service proposed "an informal pact". The premise of this "informal pact" was that, since debate on UNHCR's budget structure in 1995, Governments had lost touch somewhat with the nature and the importance of General Programmes. As UNHCR's part of this "pact", the Office proposed to launch, over the next few months, a campaign consisting of readable, concise, jargon-free, practical documentation on General Programmes, an appeal by the High Commissioner, both formal and informal discussions, and debate. The other side of the pact was that UNHCR hoped that donors would give the funding of General Programmes the priority they deserved, and to

this end he asked representatives to transmit to their capitals the strongest possible recommendations for considerably increased levels of support.

10. As regards 1997 Special Programme, funding which donors made available amounted to $ 485 million. Adequate levels of finances were made available for UNHCR's operations in the Great Lakes region of Africa, the Horn of Africa and programmes in Asia and Central America. Funding had been tight for operations in former Yugoslavia and the Commonwealth of Independent States countries. UNHCR had been particularly handicapped by lack of contributions for repatriations in Africa, to Mali and the Niger, to Angola and most recently to Liberia. In 1998, UNHCR, at this stage, required $ 635 million for 16 major, and some other special operations and repatriations. The Head of the Funding and Donor Relations Service noted that carry-overs in Special Programmes from 1997 to 1998 again would be down considerably. He urged the Office's donors to step in quickly with funding in the first quarter in order to keep operations afloat, especially for the funding of repatriations in Africa, the two major programmes in the Great Lakes region of Africa and operations in the Commonwealth of Independent States countries and former Yugoslavia.

11. The Head of the Funding and Donor Relations Service concluded by thanking Governments for their support to date and stressed that as UNHCR looks ahead to the year 2000 and beyond, the High Commissioner required a continuation of financial support that was adequate, equitably apportioned and timely.

12. In response, a number of delegations of asylum countries expressed their concern and stressed the consequences that underfunding the General Programmes would have on their nations. One delegation in particular suggested UNHCR launch a more aggressive public information strategy in donor countries. Other delegations also expressed their concern on the funding of UNHCR's General Programmes and appealed to donors to redress the situation. Many supported the proposal of an "informal pact" made by the Head of the Funding and Donor Relations Service and some delegations indicated they would maintain or increase their level of support. Several delegations posed a number of more technical questions on budget figures for both General and several Special Programmes, while one delegation suggested that UNHCR should re-circulate the documentation from the 1995 SCAF debate on budget structure in order to remind member States of the nature and importance of General Programmes.

13. One amendment to the related draft decision on Programme and Funding was proposed. The Standing Committee adopted the decision as amended (attached in annex).

V. SITUATION REPORTS

14. In introducing the *Update on Regional Developments in Central Asia, Southwest Asia, North Africa and the Middle East* (EC/48/SC/CRP.3), the Director of the Regional Bureau for Central Asia, Southwest Asia, North Africa and the Middle East (CASWANAME) reported on UNHCR activities in the region generally and also provided clarification and additional information on issues which arose from UNHCR's recent publication of *The State of the World's Refugees*. In relation to Afghanistan, the Director emphasized the need for the international community to find a solution to the fighting between various factions which continues to affect many parts of the country.

He also drew attention of the Standing Committee to the fact that as a result of financial constraints being experienced by the Organization, UNHCR had to reduce its funding levels in the Islamic Republic of Iran and Pakistan, as well as in many other countries covered by the Bureau.

15. In relation to issues raised by some Governments and authorities about the publication of UNHCR's biennial report, *The State of the World's Refugees; a Humanitarian Agenda*, the Director clarified the Office's position on the status of the Palestinian refugees, reiterating that UNHCR fully acknowledged the right of return of the Palestinian refugees as recognized in various United Nations resolutions. Further, he stated that Palestinians cannot be considered *de jure* as stateless persons, nor did the Office ever intend to make any such implication.

16. Following the Director's introductory statement, several delegations intervened with comments and questions relating to the update on regional developments in the CASWANAME region. Several delegations commented on the situation regarding Iraq. A number of them referred to the growing outflow of refugees from Iraq. The need for a comprehensive regional approach to deal with their needs was noted and many delegations welcomed UNHCR's initiatives in this regard. Three delegations referred to the situation of Turkish refugees of Kurdish origin in northern Iraq and commended UNHCR's efforts on their behalf. One delegation stated that a group of these refugees located in Ain Sufni should be relocated elsewhere in northern Iraq, thereby encouraging more of these refugees to repatriate voluntarily. Efforts to create conditions conducive to the return of these refugees to Turkey were highlighted. The same delegation cautioned UNHCR that some of the humanitarian aid provided to the Ain Sufni population may be diverted to the Kurdistan Workers Party (PKK). One delegation underlined the need for UNHCR to maintain a strong presence in Iraq in view of the unsettled situation in that country.

17. Several interventions related to the situation in Afghanistan. Many delegations referred to the situation of women and girls in Afghanistan and encouraged UNHCR to integrate greater gender concern into all aspects of its programme and undertake activities which will directly benefit women and girls. Clarification was requested on UNHCR's involvement in the United Nations strategic framework in Afghanistan and cooperation with other United Nations agencies through a common approach. The Director, in his response to delegations, replied that UNHCR assistance activities are in line with the United Nations strategic framework for assistance in Afghanistan. Many delegations expressed support for UNHCR's voluntary repatriation and reintegration programme in Afghanistan, while one delegation emphasized the need to maintain the practice of first asylum for those who continue to need it. One delegation felt that that there was a need for more realistic projections on repatriation to Afghanistan. Questions were also raised on the reasons for which the Grameen Bank Programme in Afghanistan had to be discontinued and support was expressed for UNHCR's efforts to continue its group-guaranteed lending projects which directly benefit women. One delegation expressed specific concern about the instability in Afghanistan, which is considered a potential threat to neighbouring countries of the Commonwealth of Independent States. On the issue of financial constraints referred to by the Director, one delegation suggested that there should be flexibility to reallocate resources from the Special Programme relating to Afghan repatriation to the General Programme relating to care and maintenance of the Afghan refugees in neighbouring countries.

18. A number of delegations made interventions on UNHCR's activities in Central Asia, commending UNHCR for the successful repatriation of Tajik refugees from northern Afghanistan and UNHCR's capacity-building efforts in the region. One delegation suggested that thematic topics, such as capacity-

building, be included as specific items in the regional reviews presented to the Standing Committee. Another delegation asked the Bureau to ensure that UNHCR's capacity-building activities in Central Asia be coordinated, so as to be consistent with related efforts in other parts of the CIS region and be given similar resource support. Delegations expressed support for the CASWAME process and commended UNHCR's efforts and initiatives in this regard.

19. On operations in the Western Sahara, one delegation reminded UNHCR of the need to ensure that any mention of figures and statistics in UNHCR's documents in relation to the refugees in the Tindouf camps bear reference to the qualifications stated in the High Commissioner's report to ECOSOC in 1997. The same delegation also referred to the need for a mass information campaign to advise refugees in camps of the situation awaiting them upon return and to prepare them for repatriation to their territory. A few delegations expressed satisfaction concerning the implementation by UNHCR of its Plan of Action for Western Sahara, but expressed concern about the total budget of $ 50 million envisaged by UNHCR for this operation, which some considered high. One delegation referred to the progress made so far in the repatriation of refugees from Mali and Niger and requested that until all the refugees have repatriated, UNHCR should continue to provide them with food and assistance, since WFP had withdrawn its food assistance at the end of 1997. One delegation welcomed the appointment of a Regional Policy Officer (for children) and asked what issues would be covered by that officer's brief and how his/her work would relate to other capacity-building activities in the Central Asian region. Another delegation emphasized the need for UNHCR and UNWRA to cooperate with each other with regard to the Palestinain refugees, especially in areas outside UNWRA's area of operation, particularly in Yemen and North Africa.

VI. REPORTS RELATING TO OVERSIGHT

20. The Director of the Division of Operational Support introduced *Audit Follow-up: Procurement and Asset Management* (EC/48/SC/CRP.5). He noted that the improvement achieved in recent years in the submission of purchasing plans has been sustained by the field offices. UNHCR continues to follow up very closely with the offices that have not submitted plans. When the Supply Chain project is fully implemented, UNHCR foresees that the necessary information technology (IT) systems will be in place to permit Field Offices to budget and assign procurement responsibility for their material and contractual requirements, thus adding even more value to this exercise.

21. The Director acknowledged the limitations of the MINDER asset management system as described by the external auditors. He pointed out, however, that the limitations of MINDER extended beyond the software to the need to functionally integrate the staff responsible for managing the asset management system. The Supply Chain project was exploring ways of capturing assets at the point when they become UNHCR property. Bar-coding of products by the supplier is one method that is now being piloted and other will be explored. In the longer term, UNHCR envisages greater integration of all aspects of the Supply Chain through the new computer systems for which UNHCR is now specifying the detailed requirements. The Field Asset Control System of the Department of Peace-keeping Operations is one option under consideration and a mission will go to New York in February to review the system.

22. In response one delegation stressed the importance of knowing the full procurement picture, including local and implementing partner purchases.

23. The Director confirmed that UNHCR was working very hard to achieve obtain a full picture of procurement by UNHCR globally. He further advised the

Committee that the Supply and Transport Section was organizing its annual informal meeting with the donors and the date of which would be advised shortly.

24. An observer delegation, commenting on the *Report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) to the General Assembly at its Fifty-Second Session on the Financial Reports and Audited Financial Statements, and Reports of the Board of Auditors* (extract reproduced in EC/48/SC/CRP.1), requested further clarification on recommended audit procedures and suggested that some NGOs might need further capacity-building and funding to comply with audit certification requirements.

VII. MANAGEMENT, FINANCIAL AND HUMAN RESOURCES MATTERS

25. Under this item on the agenda, the Standing Committee was presented with an oral report on outsourcing and an *Update on Project Delphi* (EC/48/SC/CRP.6). UNHCR's Director for Change could not be present at the meeting as he was away on mission in Vladikavkaz, in North Ossetia, in connection with the recent abduction of the Head of UNHCR's Office in that city. In his absence, the Chief of the Change Management Support and Coordination Unit (CMSCU) introduced both items.

26. The Chief of CMSCU first gave a brief oral update on the findings contained in a report on outsourcing prepared by a consultant at UNHCR's request. The update included a definition of outsourcing and gave examples of some activities already outsourced by UNHCR. Based on the recommendations in the report, the Chief of CMSCU listed follow-up actions that had been prepared, allocating responsibilities among the various entities concerned in UNHCR.

27. The Chief of CMSCU then briefly commented on the *Update on Project Delphi* and its Annex. He informed delegations that over the past four months steady progress on reform within UNHCR had continued and Project Delphi had now reached an advanced stage. With more than half of the 100 actions in the Implementation Plan completed and many of the others well underway, he informed delegations that it was no longer necessary to retain the Delphi umbrella. He went on to explain that the approach in 1998 would be two-fold:

i) to devote resources to moving forward with those reform initiatives considered most crucial to enhancing the effectiveness of the Organization; and

ii) to ensure that the remaining work was mainstreamed into the existing structure of UNHCR.

28. A number of delegations then took the floor for a variety of comments. There was general concurrence with the priorities for 1998. One delegation stressed that decentralization must be accompanied by clear reporting lines to Headquarters. In his reply to delegations' comments, the Chief of CMSCU emphasized that decentralization would not derogate Headquarters from its responsibilities, which included monitoring and overall control. To some delegations asking about measuring the impact of UNHCR's activities, the Chief of CMSCU explained that the new Operations Management System (OMS) would focus on objective-setting and impact assessment. In reply to a question from one delegation, the Director of the Division of Human Resources Management (DHRM) explained that the Career Management System (CMS) implied a cascade of objective-setting starting at the top of the organization. She further explained that while the focus was on achievement of objectives, it was recognized that in some cases objectives would not be met because, for example, of external factors. Several delegations enquired about the move of

the Office of the Director of Operations for the Great Lakes region of Africa back to Headquarters. The Deputy High Commissioner explained that this decision had been taken because the situation in that region had evolved considerably and that the operation currently required a great deal of attention from the Executive Office, as well as interface with Permanent Missions in Geneva and other United Nations organizations. Moreover, he explained that in the past year the operational requirements had changed because there had been a major reduction in the caseload. He stressed, however, that the Director of Operations would continue to spend a considerable amount of his time in the region.

VIII. PROTECTION/PROGRAMME POLICY ISSUES

29. The item on new approaches to reintegration and UNHCR's contribution to rehabilitation programmes in post-conflict societies was introduced by the Director of the Division of Operational Support. He took as his point of departure the remarks that the Chairman of the Executive Committee had made when he summarized the interventions in the plenary debate at the last Executive Committee meeting related to the annual theme: repatriation challenges. He also recalled the observations of the High Commissioner on the same issue in her concluding statement to the Executive Committee. As agreed by the Committee at its Planning Meeting (December 1997), the basis for the further deliberations on this item would be the relevant sections of document A/AC.96/887, *Annual Theme: Repatriation Challenges*. The Director also gave an update on developments since October 1997. He mentioned that the whole question of reintegration was an important focus of the High Commissioner's retreat with her senior staff the weekend of 31 January to 1 February 1998. Since the plenary, UNHCR has had a workshop on reintegration with participation of field colleagues with direct experience, for example in Angola, Mozambique and Tajikistan. The purpose was to review a working draft of a practical guide for UNHCR field staff on post-conflict reintegration. Moreover, UNHCR continued to consolidate its relations with the regional financial institutions, especially the Asian Development Bank and the African Development Bank, as well as the Islamic Development Bank. UNHCR has also continued its contacts with the World Bank and the International Monetary Fund (IMF) on this subject.

30. The issue of the mutual relationship between UNHCR's protection activities in the country of origin and its involvement in reintegration and rehabilitation was also raised by delegations. In the same context, a delegation asked about the respective roles of UNHCR and UNHCHR. Another issue raised by delegations was how to find a balance between the need for a speedy return and the need for a careful involvement in rehabilitation activities. It was pointed out by delegations that exit strategies and related time frame should be developed with an appropriate flexibility within the overall country rehabilitation framework and in the light of the local context and constraints. One delegation asked how Governments could assist UNHCR in abiding by its phase-out timetable. Delegations recommended that local capacity-building should be an integral part of the UNHCR's intervention, but limited to areas where it has comparative advantages (for example, protection). Support was also expressed by delegations for the preparation by UNHCR of an Operational Framework for UNHCR's intervention in repatriation/reintegration operations and for strengthening UNHCR's technical/planning back-up in this field.

31. It was recognized that, in order to sustain the reintegration process, UNHCR and development partners should work together, from the earliest stage, through a "horizontal" approach and within an agreed division of labour. It was recognized, however, that the operational effectiveness and efficiency of inter-agency cooperation is also contingent upon the willingness of other partners (international financial institutions, other development agencies) to become involved from an early stage. It was felt that reintegration activities should be more visible in consolidated appeals.

32. It was agreed, given the importance of the subject, that the Standing Committee would revisit the subject in the context of its consideration of the item related to phase-out strategies at its eleventh meeting in April 1998.

IX. ANY OTHER BUSINESS

33. In returning to the issue of how to address the modalities for taking up the proposed topic of the economic and social impact of massive refugee populations on host developing countries, as well as other countries, the Chairman recalled the four sub-items proposed under this general heading: possible principles for action; UNHCR's mandate in this regard; practical measures for increasing coordination between emergency and national structures; and a quantitative assessment on the basis of special case studies.

34. The Chairman then suggested that the fourth sub-item could be considered during the September 1998 meeting of the Standing Committee, leaving for consideration, if the Standing Committee so decided, the other proposed sub-items in 1999. The discussions in September 1998, he explained, would be based on a preliminary analysis of existing documentation, including Round Table and Consultative Group reports, and Country Strategy Notes for one or two countries hosting significant refugee populations. Further, he suggested that the World Bank and UNDP could contribute to these discussions, thereby allowing for a preliminary discussion of UNHCR's mandate in addressing the economic and social impact of refugees. Delegations agreed to this proposal.

35. In addition, the Chairman invited delegations to submit suggested topics for the annual theme to the Secretariat by 16 March 1998, since the subject of the annual theme would be initially addressed at the April 1998 meeting of the Standing Committee.

36. There being no further business, the Chairman closed the meeting.

DECISION ADOPTED BY THE TENTH STANDING COMMITTEE

DECISION ON PROGRAMME AND FUNDING PROJECTIONS

The Standing Committee,

Recalling the decision of the forty-eighth session of the Executive Committee on programme, administrative and financial matters,

(a) Notes that the overall needs for 1998, based on currently known or anticipated requirements, now amount to $ 1,098.4 million, of which projected needs for General Programmes remain at $ 440 million, as approved by the Executive Committee at its forty-eighth session, and those for Special Programmes at $ 635.4 million, while the remaining $ 23 million pertain to the United Nations Regular Budget;

(b) Expresses serious concern at the trend in the level of contributions to General Programmes and, in view of the importance of the full funding of these Programmes, acknowledges the appeal of the High Commissioner to donor Governments for further early announcements of contributions to these Programmes, as well as to Special Programmes, in a spirit of equitable burden-sharing, so as to permit the continuation and timely implementation of these Programmes, and encourages the Secretariat to provide quarterly to the Standing Committee the updated reports on revenues and expenditures, as well as revenue forecasts, with details of the expected impact on these Programmes.